

WEST DAVIESS COUNTY WATER DISTRICT

3400 Bittel Rd.
Owensboro, KY 42301
Phone: (270) 685-5594
Fax: (270) 683-6324

RECEIVED

APR 10 2008

PUBLIC SERVICE
COMMISSION

April 7, 2008

To : Ms. Beth O'Donnell
Executive Director
Public Service Commission
211 Sower Blvd
P.O. Box 615
Frankfort, KY 40602

RE : Purchased Water Rate Adjustment

Ms. O'Donnell,

2008-133

By letter dated March 14, 2008, we were notified that our wholesale supplier, Owensboro Municipal Utilities (OMU) will be increasing their rate charged to us from \$ 1.405 per 1,000 gallons to \$ 1.516 per 1,000 gallons effective June 1, 2008. As a result, we are submitting a purchased water adjustment to recover the additional water cost to the West Daviess County Water District. Page 1 and 2 is the application requested by the Public Service Commission for the rate adjustment. Page 3 and 4 is the revised tariff sheets which pertain to the rate increase. Exhibit A is the before mentioned letter from OMU. Exhibit B is our calculation of how the increase will affect the rates to our customers. Exhibit C is the newspaper notice notifying our customers of the purchased water adjustment submitted to the Public Service Commission to be included in our local newspaper within the next couple of days.

If there are any questions, please contact our office.

Sincerely,



WILLIAM G. HIGDON
Manager

**PURCHASED WATER ADJUSTMENT FOR
WATER DISTRICTS AND ASSOCIATIONS
(807 KAR 5:068)**

Name of Utility	WEST DAVIESS COUNTY WATER DISTRICT	
Date	4-7-08	
Address	3400 BITTEL RD	
City, State, Zip	OWENSBORO	KY 42301
Telephone Number	270-685-5594	

1.a. Name of all wholesale suppliers and the base (current) rate and changed rate of each. In the event the water purchased is billed by the supplier on a rate that is not a flat rate schedule, the entire rate schedule must be shown. Attach additional sheets if necessary.

Supplier(s)	Base Rate	Changed Rate
OWENSBORO MUNICIPAL UTILITIES	\$ 1.405 PER 1,000 GALLONS	\$ 1.516 PER 1,000 GALLONS

1.b. A copy of the supplier's notice of the changed rate showing the effective date of the increase is attached as Exhibit A

2. Twelve-month period upon which the purchased water adjustment is based. (This twelve-month period must end within 90 days of this filing).

From	APRIL 2007	through	MARCH 2008
	(month and year)		(month and year)

3. Statement of water purchases. Where water is purchased from more than one supplier, purchases from each supplier must be shown separately. If water is purchased through a declining block rate schedule, purchases for each month must be shown. Attach an additional sheet if necessary.

Supplier(s)	Gallons Purchased during 12 month period
OWENSBORO MUNICIPAL UTILITIES	431,899,500
TOTAL PURCHASES	431,899,500
4. Total sales for the 12 month period	382,375,520
5. Increased water cost	\$ 47,940.84
The increased water cost is the cost difference between purchases at base (current rate) and purchases at new rate.	
6. Purchased water adjustment factor	\$.13 PER 1,000 GALLONS
The purchased water adjustment factor is obtained by dividing the increased cost of water by the total gallons sold.	
<p>Note: The purchased water adjustment factor is added to each thousand gallons sold. If the minimum usage is 2,000 gallons then the purchased water adjustment factor would be added to the minimum bill twice. Revised tariff sheets must be attached showing the rate to be charged by the utility and the effective date of the increased rates.</p>	
7. Proposed effective date	JUNE 1, 2008
	
Signature of Utility Officer	
	
Title	

FOR West Daviess County, Kentucky
Community, Town or City

P.S.C. KY. NO. 1

Sheet NO. 1

West Daviess County Water District
(Name of Utility)

CANCELLING P.S.C. KY. NO. 1

Sheet NO. 1

RATES AND CHARGES

A. MONTHLY RATES:

5/8" x 3/4" Meter

Customer Charge	\$ 1.49 Per Month
First 20,000 Gallons	3.34 Per 1,000 Gallons
Over 20,000 Gallons	2.57 Per 1,000 Gallons

1" Meter

Customer Charge	\$ 3.73 Per Month
First 20,000 Gallons	3.34 Per 1,000 Gallons
Over 20,000 Gallons	2.57 Per 1,000 Gallons

1 1/2" Meter

Customer Charge	\$ 7.46 Per Month
First 20,000 Gallons	3.34 Per 1,000 Gallons
Over 20,000 Gallons	2.57 Per 1,000 Gallons

2" Meter

Customer Charge	\$ 14.93 Per Month
First 20,000 Gallons	3.34 Per 1,000 Gallons
Over 20,000 Gallons	2.57 Per 1,000 Gallons

DATE OF ISSUE April 7, 2008
Month / Date / Year

DATE EFFECTIVE June 1, 2008
Month / Date / Year

ISSUED BY *AM Sherman*
Signature of Officer

TITLE *Board Chairman*

BY AUTHORITY OF ORDER OF THE PUBLIC SERVICE COMMISSION
IN CASE NO. _____ DATED _____

FOR West Daviess County, Kentucky
Community, Town or City

P.S.C. KY. NO. 1

Sheet NO. 5

West Daviess County Water District
(Name of Utility)

CANCELLING P.S.C. KY. NO. 1

Sheet NO. 5

RATES AND CHARGES

D. PURCHASED WATER RATES:

	<u>Rate</u>
Owensboro Municipal Utilities	\$ 1.516 per 1,000 Gallons

E. WHOLESALE WATER RATES:

	<u>Rate</u>
McLean County Water District	\$ 2.26 per 1,000 Gallons
Beech Grove Water Association	\$ 2.26 per 1,000 Gallons

DATE OF ISSUE April 7, 2008

Month / Date / Year

DATE EFFECTIVE June 1, 2008

Month / Date / Year

ISSUED BY *AM Thompson*

Signature of Officer

TITLE *Board Chairman*

BY AUTHORITY OF ORDER OF THE PUBLIC SERVICE COMMISSION
IN CASE NO. _____ DATED _____

EXHIBIT B

	Sales	Gallons Purchased
Apr 2007	27,377,970	31,991,200
May	31,221,260	40,637,800
Jun	45,807,120	44,822,200
Jul	37,231,780	42,076,500
Aug	39,048,780	46,550,600
Sep	36,363,310	34,080,200
Oct	33,535,030	37,769,700
Nov	26,126,580	30,974,300
Dec	27,862,480	33,265,300
Jan 2008	27,206,220	29,697,700
Feb	27,426,950	29,676,600
Mar	23,168,040	30,357,400
	<u>382,375,520</u>	<u>431,899,500</u>

	1.405	Base Rate
x	<u>1.079</u>	% increase
	1.516	Changed Rate

Cost at changed rate
 $431,899,500 \times 1.516 \text{ per } 1,000 \text{ gallons} = \$ 654,759.64$

Cost at base rate
 $431,899,500 \times 1.405 \text{ per } 1,000 \text{ gallons} = \$ 606,818.80$

 $\$ 47,940.84$

Proposed increase of water rates
 $\$ 47,940.84 \quad / \quad 382,375,520 \quad / \quad 1000 \text{ gallons}$
 $= \quad 0.13 \text{ per } 1,000 \text{ gallons}$

EXHIBIT C

WEST DAVIESS COUNTY WATER
DISTRICT RATE ADJUSTMENT
INCREASE

In accordance with 807 KAR 5:068 and KRS 278:015, West Daviess County Water District has applied for approval from the Kentucky Public Service Commission for a rate increase of 13 cents per 1,000 gallons of water effective June 1, 2008. The rate increase reflects the additional cost of water purchased from Owensboro Municipal Utilities. The change in rates will increase the average residential customer's water bill of 5,700 gallons with a 3/4 " meter from \$19.79 to \$20.53; an increase of 3.74%. The following rates are proposed:

First 20,000 gallons.....\$ 3.34

Per 1,000 gallons

Over 20,000 gallons.....\$ 2.57

Per 1,000 gallons

Sales to other water districts.....\$ 2.26

Per 1,000 gallons

Customer charge by meter size:

5/8" x 3/4".....\$ 1.49 per month

1".....\$ 3.73 per month

1 1/2".....\$ 7.46 per month

2".....\$ 14.93 per month

WILLIAM G. HIGDON

MANAGER